

HB

285

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 2/25/08

FURTHER:

DATE TURNED
IN TO OFFICE: 4-3-08

Finance Committee considered CS FOR HOUSE BILL NO. 285(CRA)

HB 285 MUNI TAX EXEMPTION: COMBAT DEATHS

"An Act relating to an optional exemption from municipal property taxes for residences of widows and widowers of certain members of the armed forces of the United States."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:
 Same Title
 New Title

HOUSE BILL:
 Same Title
 Technical Title Change
 New Title w/ SCR # _____

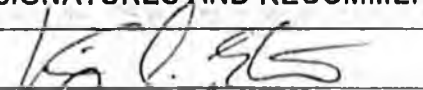

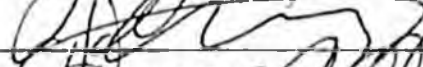
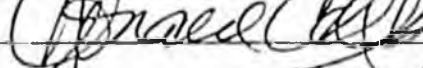

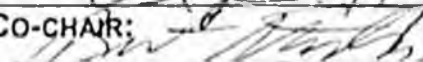
NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#
CED	1/23/08			✓	

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC.	AMEND
	Elton	✓			
	Thomas	✓			
	Huggins	✓			
	Olson			✓	
CO-CHAIR: 	Hoffman			✓	
CO-CHAIR: 	St. Julian			✓	

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: CSHB 285(CRA)
(H) Publish Date: 2/4/08

Identifier (file name): HB285-CED-CRA-01-23-08 Dept. Affected: DCCED
Title: Muni Tax Exemptions: Combat Death RDU: Comm Asst & Ec Dev (405)
Component: Community & Regional Affairs
Sponsor: Cochill, Lynn, Foster, Kawasaki, Ramras
Requester: House Community & Regional Affairs Component Number: 2879

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITA EXPENDITURES								
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CHANGE IN REVENUES ()								
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

This legislation would allow municipalities to partially or wholly by ordinance exempt from taxation real property owned and occupied by a resident who is the widow or widower of certain members of the armed forces of the United States. The residence must be a permanent place of abode.

This is a local optional property tax exemption not reimbursable by the State. It would have no fiscal impact on the operations of the division. The amount of municipal residential real property potentially subject to this tax exemption is indeterminate.

Prepared by: Tara Jollie, Director
Division: Community and Regional Affairs
Approved by: Emil R. Notti, Commissioner
Commerce, Community, and Economic Development

Phone 907-260-7959
Date/Time 1/23/08 10:00 AM
Date 1/23/2008

CORRECTION

Discard: CSHB 285(CRA)
(Work Order 25-LS1146\C)

and retain this corrected version.
(Work Order 25-LS1146\E)

Corrected February 6, 2008
Chief Clerk's Office

CS FOR HOUSE BILL NO. 285(CRA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 2/4/08
Referred: Finance

Sponsor(s): REPRESENTATIVES COGHILL, Lynn, Foster, Kawasaki, Ramras

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to an optional exemption from municipal property taxes for residences
2 of widows and widowers of certain members of the armed forces of the United States."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 * Section 1. AS 29.45.050 is amended by adding a new subsection to read:

5 (s) A municipality may by ordinance partially or wholly exempt from taxation
6 the real property owned and occupied as a permanent place of abode by a resident who
7 is the widow or widower of a member of the armed forces of the United States injured
8 serving on active duty while eligible for hostile fire or imminent danger pay who dies
9 because of the injury or complications related to the injury or its treatment. The
10 ordinance must include requirements for determining eligibility for the exemption and
11 a procedure for applying for the exemption.

ALASKA STATE HOUSE OF REPRESENTATIVES

Contact:

Interim Address:

3340 Badger Road
North Pole, AK 99705
(907)-488-5725
Fax# (907)-488-4271



Session

(907)-465-3719
FAX# (907)-465-3258
State Capitol
Room 214

REPRESENTATIVE JOHN COGHILL

SPONSOR STATEMENT

CSHB 285(CRA)
(25-LS1146\E)

"An Act relating to an optional exemption from municipal property taxes for residences of widows and widowers of certain members of the armed forces of the United States."

This bill will provide the authority for a municipality or city, by ordinance, to partially or wholly exempt from taxation the real property owned and occupied by a widow or widower of a member of the armed forces of the United States injured while serving on active duty who was eligible for hostile fire or imminent danger pay.

Alaska Statute 29.45.050 (i)(2) provides authority for a municipality to allow a tax exemption on real property to disabled veterans. This legislation will help relieve some of the financial hardships on the spouses of members of the armed forces that do not survive their injuries.

This bill gives the municipalities the responsibility of including requirements for determining eligibility for the exemption, and procedures for applying for the exemption.

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REPRESENTATIVE JOHN COGHILL

SECTIONAL

CSHB 285(CRA)
(25-LS1146E)

"An Act relating to an optional exemption from municipal property taxes for residences of widows and widowers of certain members of the armed forces of the United States."

Section 1: AS 29.45.050 is amended by adding a new subsection:

(s) This new subsection will give authority to a municipality by ordinance to partially or wholly exempt real property taxation owned or occupied as a permanent place of residence by an individual who is a widow or widower of a member of the armed forces of the United States who:

* was injured serving on active duty while eligible for hostile fire or imminent danger pay who dies because of the injury or complications related to the injury or its treatment.

The ordinance must include requirements for determining eligibility for the exemption and a procedure for applying for the exemption.

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REPRESENTATIVE JOHN COGHILL

SECTIONAL

CSHB 285(CRA) (25-LS1146(E))

"An Act relating to an optional exemption from municipal property taxes for residences of widows and widowers of certain members of the armed forces of the United States."

[and providing that this Act may be known as the Sergeant Irving Hernandez, Jr., Act.] *It was felt that the Fairbanks North Star Borough could honor Sergeant Irving Hernandez, Jr., in some local way, rather than name the bill after him.*

Section 1: AS 29.45.050 is amended by adding a new [section to read

SHORT TITLE. This Act may be known as the Sergeant Irving Hernandez, Jr., Act.] *This change reflects the deletion in the title.*

Section [2] 1: AS 29.45.050 is amended by adding a new subsection to read:

(s) This new subsection will give authority to a municipality by ordinance to partially or wholly exempt real property taxation owned or occupied as a permanent place of residence by an individual who is a widow or widower of a member of the armed forces of the United States who:

* was injured serving on active duty while eligible for hostile fire or imminent danger pay

* dies because of the injury or complications related to the injury or its treatment.
[within 90 days] *the 90 day limit was removed because it was felt that the medical experts could make the determination as to whether or not a service member died because of his injuries.*

The ordinance must include requirements for determining eligibility for the exemption and a procedure for applying for the exemption.



Fairbanks North Star Borough

Office of the Mayor

809 Pioneer Road

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Fairbanks, Alaska 99707-1267

907/459-1300

Fax 907/459-1102

Email mayor@co.fairbanks.ak.us

January 29, 2008

The Honorable Representative John Coghill
State Capitol
Juneau, AK 99801

Dear Representative Coghill,

I would like to thank you for your sponsorship of HB 285, also known as the Sgt. Irving Hernandez Act of 2007.

The greater Fairbanks area incorporates a seamless community of military and civilian residents. Those of us residing here hold an immense degree of respect and value for our military families. However, there is no provision by which to allow for the same property tax exemptions for the spouses of our fallen active duty military as there exists for our veterans.

This legislation allows our community to better honor the sacrifices and contributions of our active duty residents and their families.

The Fairbanks North Star Borough fully supports the passage of this legislation.

Regards,

Jim Whitaker, Mayor

**CITY OF NORTH POLE
RESOLUTION 07- 13**

**A RESOLUTION OF THE CITY OF NORTH POLE URGING THE ALASKA
STATE LEGISLATURE TO AMEND STATE STATUTE TO ALLOW FOR
AN EXEMPTION OF MUNICIPAL PROPERTY TAXES FOR SURVIVING
SPOUSES OF MEMBERS OF THE ARMED FORCES WHO HAVE LOST
THEIR LIFE IN ACTIVE DUTY COMBAT**

WHEREAS, the North Pole City Council and the North Pole community have the greatest pride and respect for the members of the Armed Forces and strongly support them; and

WHEREAS, the war in Iraq began on March 20, 2003 and in the years since, thousands of men and women have made sacrifices for their country and for some the sacrifice has meant their lives; and

WHEREAS, the sacrifice made by these brave men and women extends to their families who struggle both emotionally and financially after their death; and

WHEREAS, the war has claimed more than 3700 casualties nationwide. The statistics for Alaskans killed in action as of September 25, 2007 are 15 Alaska residents, 30 soldiers from Ft. Wainwright, 1 from Eielson Air Force Base, 52 from Ft. Richardson and 5 from Elmendorf Air Force Base; and

WHEREAS, several surviving spouses have chosen to make Alaska their permanent home; and


WHEREAS, everything that can be done should be done to ease the burden placed upon surviving spouses and their children; and

WHEREAS, a small way to extend our gratitude to these families is to offer surviving spouses of military members who have lost their life in combat, an exemption of municipal property taxes.

NOW, THEREFORE, BE IT RESOLVED, that the North Pole City Council supports a change to state statute that would allow for the municipal property tax exemption for the surviving, un-remarried spouse of a military member killed in active duty combat.

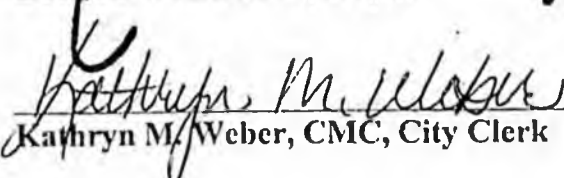
BE IT FURTHER RESOLVED, that copies of this resolution be sent to the Honorable Governor Sarah Palin and the Alaska Interior Delegation.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of North Pole on October 1, 2007.



Douglas W. Isaacson, Mayor

ATTEST:



Kathryn M. Weber, CMC, City Clerk